

Direct Edge ECN LLC ("Direct Edge"), by and through its undersigned counsel, hereby submits this objection ("Objection"), in accordance with the Order Under 11 U.S.C. §§ 105(a), 363, and 365 and Federal Rules of Bankruptcy Procedure 2002, 6004 and 6006 Authorizing and Approving (A) the Sale of Purchased Assets Free and Clear of Liens and Other Interests and (B) Assumption and Assignment of Executory Contracts and Unexpired Leases [Docket No. 258] the ("Sale Order"), to the Cure

Amount listed on the List of Non-IT Closing Date Contracts (the "Contract Schedule"), which appears online at <http://chapter 11.epiqsystems.com/Lehman> (the "Website").

### **BACKGROUND**

1. Effective as of February 13, 2006, Lehman Brothers Inc. ("LBI") and Direct Edge entered into a Subscriber Application. Under the Subscriber Application, LBI and Direct Edge agreed to certain terms and conditions for services to be provided to LBI by Direct Edge. Those services, included, *inter alia*, the provision by Direct Edge to LBI of access to the Direct Edge Electronic Communications Network, which allows LBI to: (i) view, enter, negotiate and execute orders through Direct Edge in certain types of securities; and (ii) to transmit to either a national securities exchange or national securities association or the NASD Alternative Display Facility, orders entered into by LBI in certain securities. Furthermore, through the Terms and Conditions and the Subscriber Application, Direct Edge provided LBI with a limited license to use Direct Edge's technology. (The Terms and Conditions and the Subscriber Agreement are hereinafter collectively referred to as the "Direct Edge Contract").

2. On September 15, 2008 (the "Petition Date") Lehman Brothers Holdings, Inc. (the "Debtor") filed for bankruptcy protection with the United States Bankruptcy Court for the Southern District of New York pursuant to Chapter 11 of Title 11 of the United States Code. On September 19, 2008, an order was entered placing LBI into liquidation under the Securities Investor Protection Act. Furthermore, the Court, on September 19, 2008, entered an order that included LBI in the definition of Debtors for purposes of the Sale Order.

**OBJECTION**

3. On the Website, the Debtors list the Direct Edge Contract as a contract that will be assumed by the Debtors and assigned to Barclays Capital, Inc. (the "Purchaser"). The cure amount for the Direct Edge Contract, however, is erroneously listed as \$1,499.84. Instead, as evidenced by the invoices annexed hereto as Exhibit 1, the correct cure amount with respect to the Direct Edge Contract is \$994,235.74.

4. Direct Edge hereby objects to the erroneously listed cure amount associated with the Direct Edge Contract on the Website and hereby seeks an order directing the Debtors and the Purchaser, jointly and severally, as a condition to assumption and assignment of the Direct Edge Contract under Section 365 of the Bankruptcy Code, to pay Direct Edge \$994,235.74, which is the correct cure amount of the Direct Edge Contract.

5. Direct Edge expressly reserves its rights to amend or supplement this Objection, to introduce evidence supporting this Objection, and be heard, at a hearing with respect to this Objection, and to file additional and/or supplemental objections.

WHEREFORE, for the reasons stated in this Objection, Direct Edge objects to the proposed cure amount listed on the Debtors' List of Non-IT Closing Date Contracts, and requests that this Court enter an order conditioning the assumption and assignment of the Direct Edge Contract upon the prompt payment of \$994,235.74 to Direct Edge by the Purchaser or the Debtors and grant Direct Edge such other and further relief as this Court may deem just and proper.

Dated: September 30, 2008  
New York, NY

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'Daniel S. Braverman', written over a horizontal line.

Daniel S. Braverman (DB 9423)  
Peter Marchetti (PM 3044)  
Law Offices of Daniel S. Braverman  
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New York, NY 10007-3747  
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Fax: (212) 766-2298  
dbraverman@bravelaw.com

# EXHIBIT 1



EDGX Transaction Charges  
Invoice #: LEHM200809X  
Account: LEHM  
Invoice Date: 9/24/2008  
Trade Dates: 9/1/2008 -  
9/12/2008

Bill To: Lehman Brothers, Inc.  
Attn: Ben Chnelich  
745 Seventh Avenue 2nd Floor  
New York, NY 10019  
USA

## Invoice

### Liquidity Flag \$1 and over

A (Added to Nasdaq)  
B (Add Liquidity Tape B)  
D (Removed from DOT)  
E (Internalized Trades)  
F (Added to DOT)  
I (Routed)  
L (Tape A Odd lot to Arca)  
N (Removed Liquidity)  
P (Routed to ARCA)  
Q (Tape A to Nasdaq)  
R (Re-routed by DOT)  
S (Directed ISO)  
V (Adding Liquidity Tape A)  
W (Removing Liquidity Tape A)  
X (Routed)  
Y (Added Liquidity)  
Z (ROUZ order)  
O (Opening Cross)

Your Effective Rate	Shares	Total
0.0000	0	\$0.00
-0.0025	20,743	(\$51.86)
0.0008	680,730	\$544.58
0.000140	67,620	\$9.47
0.0000	0	\$0.00
0.0029	513,263	\$1,488.46
0.0300	7,725	\$231.75
0.0026	34,129,492	\$88,736.68
0.0029	745,407	\$2,161.68
0.0029	2,160,264	\$6,264.77
0.0030	402,278	\$1,206.83
0.0000	0	\$0.00
-0.0025	0	\$0.00
0.0026	29,123,243	\$75,720.43
0.0029	1,311,620	\$3,803.70
-0.0025	870,180	(\$2,175.45)
0.0000	0	\$0.00
0.0000	0	\$0.00

### Under \$1

A (Added to Nasdaq)  
B (Add Liquidity Tape B)  
D (Removed from DOT)  
E (Internalized Trades)  
F (Added to DOT)  
I (Routed)  
L (Tape A Odd lot to Arca)  
N (Removed Liquidity)  
P (Routed to ARCA)  
Q (Tape A to Nasdaq)  
R (Re-routed by DOT)  
S (Directed ISO)  
V (Adding Liquidity Tape A)  
W (Removing Liquidity Tape A)  
X (Routed)  
Y (Added Liquidity)  
Z (ROUZ order)  
O (Opening Cross)

0 BP	0	\$0.00
0.0000	0	\$0.00
8 BP	700	\$0.47
1 BP	326	\$0.05
0 BP	0	\$0.00
0 BP	25,137	\$52.92
0.0000	0	\$0.00
20 BP	1,563,404	\$1,587.84
29 BP	1,650	\$4.18
29 BP	243,135	\$527.73
30 BP	300,207	\$645.83
0.0033	0	\$0.00
0 BP	0	\$0.00
20 BP	4,954,729	\$7,748.16
29 BP	207,213	\$337.48
0 BP	133,360	\$0.00
0.0010	0	\$0.00
0.0005	0	\$0.00

### OTCBB

Adding over \$1  
Customer match over \$1  
Adding under \$1  
Customer match under \$1

0.0000	0	\$0.00
0.0000	0	\$0.00
0.0000	0	\$0.00
0.0000	0	\$0.00

### Subtotal

Type  
Ports  
Market Data

Cost	Qty	Total
0.00	0	\$0.00
0.00	0	\$0.00

### Total

**\$188,845.70**

To pay by Wire/EFT: ABA# 021000018 Bank of New York, Account of Direct Edge ECN,  
Account #: 630-2697602

Please include invoice number and payment amount, or please remit by mail to:  
Direct Edge ECN Finance Department, 545 Washington Blvd., Jersey City, NJ 07310



EDGX Transaction Charges  
Invoice #: LEHM200808X  
Account: LEHM  
Invoice Date: 9/3/2008  
Trade Dates: 8/1/2008 -  
8/31/2008

Bill To: Lehman Brothers, Inc.  
Attn: Ben Chnelich  
745 Seventh Avenue 2nd Floor  
New York, NY 10019  
USA

## Invoice

Liquidity Flag	Your Effective Rate	Shares	Total
<b>\$1 and over</b>			
A (Added to Nasdaq)	0.0000	0	\$0.00
B (Add Liquidity Tape B)	-0.0025	6,657	(\$16.64)
D (Removed from DOT)	0.0008	1,414,178	\$1,131.34
E (Internalized Trades)	0.000140	80,148	\$11.22
F (Added to DOT)	0.0000	0	\$0.00
I (Routed)	0.0029	806,803	\$2,339.73
L (Tape A Odd lot to Arca)	0.0300	8,554	\$256.62
N (Removed Liquidity)	0.0026	72,045,769	\$187,319.00
P (Routed to ARCA)	0.0029	1,705,761	\$4,946.71
Q (Tape A to Nasdaq)	0.0029	3,469,073	\$10,060.31
R (Re-routed by DOT)	0.0030	2,168,024	\$6,504.07
S (Directed ISO)	0.0000	0	\$0.00
V (Adding Liquidity Tape A)	-0.0025	200	(\$0.50)
W (Removing Liquidity Tape A)	0.0026	54,854,487	\$142,621.67
X (Routed)	0.0029	2,587,774	\$7,504.54
Y (Added Liquidity)	-0.0025	2,235,126	(\$5,587.82)
Z (ROUZ order)	0.0000	0	\$0.00
O (Opening Cross)	0.0000	0	\$0.00
<b>Under \$1</b>			
A (Added to Nasdaq)	0BP	0	\$0.00
B (Add Liquidity Tape B)	0.0000	0	\$0.00
D (Removed from DOT)	8BP	0	\$0.00
E (Internalized Trades)	1BP	0	\$0.00
F (Added to DOT)	0BP	0	\$0.00
I (Routed)	0BP	2,892	\$4.56
L (Tape A Odd Lot to Arca)	0.0000	0	\$0.00
N (Removed Liquidity)	20BP	709,468	\$975.90
P (Routed to ARCA)	29BP	669	\$1.38
Q (Tape A to Nasdaq)	29BP	74,615	\$95.83
R (Re-routed by DOT)	30BP	62,362	\$93.24
S (Directed ISO)	0.0033	0	\$0.00
V (Tape A Added Liquidity)	0BP	0	\$0.00
W (Tape A Removed Liquidity)	20BP	875,564	\$830.17
X (Routed)	29BP	36,786	\$77.80
Y (Added Liquidity)	0BP	28,320	\$0.00
Z (ROUZ order)	0.0010	0	\$0.00
O (Opening Cross)	0.0005	0	\$0.00
OTCBB			
Adding over \$1	0.0000	0	\$0.00
Customer match over \$1	0.0000	0	\$0.00
Adding under \$1		0	\$0.00
Customer match under \$1		0	\$0.00
<b>Subtotal</b>			<b>\$359,169.13</b>
<b>Type</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Ports	0.00	0	\$0.00
Market Data	0.00	0	\$0.00

**Total**

**\$359,169.13**

To pay by Wire/EFT: ABA# 021000018 Bank of New York, Account of Direct Edge ECN, Account #: 630-2697602  
Please include invoice number and payment amount, or please remit by mail to:  
Direct Edge ECN Finance Department, 545 Washington Blvd., Jersey City, NJ 07310



EDGX Transaction Charges  
Invoice #: LEHM200807X  
Account: LEHM  
Invoice Date: 8/14/2008  
Trade Dates: 7/1/2008 - 7/31/2008

Bill To: Lehman Brothers, Inc.  
Attn: Ben Chrnlich  
745 Seventh Avenue 2nd Floor  
New York, NY 10019  
USA

## Invoice

Liquidity Flag	Your Effective Rate	Shares	Total
<b>\$1 and over</b>			
A (Added to Nasdaq)	0.0000	0	\$0.00
B (Add Liquidity Tape B)	-0.0025	6,583	(\$16.46)
D (Removed from DOT)	0.0008	2,993,596	\$2,394.88
E (Internalized Trades)	0.000140	105,828	\$14.82
F (Added to DOT)	0.0000	0	\$0.00
I (Routed)	0.0029	1,399,951	\$4,059.86
L (Tape A Odd lot to Arca)	0.0300	22,812	\$684.36
N (Removed Liquidity)	0.0026	80,600,289	\$209,560.75
P (Routed to ARCA)	0.0029	1,477,852	\$4,285.77
Q (Tape A to Nasdaq)	0.0029	5,500,430	\$15,951.25
R (Re-routed by DOT)	0.0030	3,232,605	\$9,697.82
S (Directed ISO)	0.0000	0	\$0.00
V (Adding Liquidity Tape A)	0.0000	0	\$0.00
W (Removing Liquidity Tape A)	0.0026	73,376,605	\$190,779.17
X (Routed)	0.0029	4,584,934	\$13,296.31
Y (Added Liquidity)	-0.0025	2,890,671	(\$7,226.68)
Z (ROUZ order)	0.0000	0	\$0.00
O (Opening Cross)	0.0000	0	\$0.00
<b>Under \$1</b>			
A (Added to Nasdaq)	0BP	0	\$0.00
B (Add Liquidity Tape B)	0.0000	0	\$0.00
D (Removed from DOT)	8BP	0	\$0.00
E (Internalized Trades)	1BP	0	\$0.00
F (Added to DOT)	0BP	0	\$0.00
I (Routed)	0BP	2,895	\$6.00
L (Tape A Odd Lot to Arca)	0.0000	0	\$0.00
N (Removed Liquidity)	20BP	1,323,972	\$1,439.72
P (Routed to ARCA)	29BP	3,459	\$6.30
Q (Tape A to Nasdaq)	29BP	28,414	\$53.25
R (Re-routed by DOT)	30BP	61,068	\$105.49
S (Directed ISO)	0.0033	0	\$0.00
V (Tape A Added Liquidity)	0BP	0	\$0.00
W (Tape A Removed Liquidity)	20BP	502,619	\$1,005.24
X (Routed)	29BP	56,857	\$113.39
Y (Added Liquidity)	0BP	0	\$0.00
Z (ROUZ order)	0.0010	0	\$0.00
O (Opening Cross)	0.0005	0	\$0.00
OTCBB			
Adding over \$1	0.0000	0	\$0.00
Customer match over \$1	0.0000	0	\$0.00
Adding under \$1		0	\$0.00
Customer match under \$1		0	\$0.00
<b>Subtotal</b>			<b>\$446,211.23</b>
<b>Type</b>	<b>Cost</b>	<b>Qty</b>	<b>Total</b>
Ports	0.00	0	\$0.00
Market Data	0.00	0	\$0.00
June trades Re-routed by NYSE (liquidity flag R) initially billed as liquidity flag D		4,400	\$9.68
<b>Total</b>			<b>\$446,220.91</b>

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Direct Edge ECN Finance Department, 545 Washington Blvd., Jersey City, NJ 07310



**CERTIFICATE OF SERVICE**

I certify that on September 30, 2008, I caused a copy of the foregoing to be served by first class mail and by email on the following:

Counsel for Lehman Brothers Holdings, Inc.  
Lori R. Fife (lori.fife@weil.com)  
Shai Y. Waisman (shai.waisman@weil.com)  
Weil, Gotshal & Manges  
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Lisa M. Schweitzer (lschweitzer@cgsh.com)  
Cleary Gottlieb Steen & Hamilton LLP  
One Liberty Plaza  
New York, NY 10006

A handwritten signature in black ink, appearing to read 'Peter Marchetti', with a long horizontal line extending to the right.

Peter Marchetti